

(iii) *Irwin Canal*.—The total acreage under paddy, sugarcane and cotton was 83,559 acres 20 guntas (82,798). There was a further increase in the area under paddy cultivation by 1,149 acres and a further decrease in sugarcane cultivation. An extent of 14,657 acres was cultivated with irrigated ragi and jola by the raiyats who availed themselves of the concessions of supply of water free of assessment during summer months.

A programme of anti-malarial engineering works in the several sections of the Irwin Canal area for a total sum of Rs. 3 lakhs was sanctioned during the year. Other measures like shifting of villages, canalisation of valleys, depletion of tanks and laying of channels were also considered during the year.

(iv) *Bhadra Right Bank Channel*.—The net area under occupation at the end of the year was 8,417 acres 4 guntas (8,160 acres and 22 guntas). The question of shifting the villages in the area as an anti-malarial measure continued to be under investigation and the Department of Public Health is taking the usual measures of combating prevalence of malaria.

(v) *Anjanapur Reservoir*.—Out of an irrigable extent of 11,784 acres 18 guntas under the Reservoir, the actual area brought under Irrigation during the year was 9,962 acres 26 guntas (10,448).

7. *Demand, Collection and Balance of Land Revenue*.—Out of a total demand of Rs. 1,45,30,502 under the Land Revenue including Revenue Miscellaneous, a sum of Rs. 1,29,93,152 was collected during the year excluding a sum of Rs. 3,41,005 which was either remitted as per rules or written off as irrecoverable. The balance to be collected at the end of the year was Rs. 11,96,345 (13,36,808). The percentage of collections to the total demand was 91.8 (91.1). The percentage of actual collections to net recoverable demand was 91.5 (90.7) which cannot be said to be excellent at a time when prices were favourable. These arrears as in previous year continued to be the heaviest in Tumkur District, viz., Rs. 3,01,381.

There was a slight increase in demand under Land Revenue by Rs. 59,729 while there was a decrease of about Rs. 1,26,812 under Land Revenue Miscellaneous.

8. *Coercive Processes*.—The total number of coercive processes of all kinds served and the amount realised showed a considerable decrease being Rs. 1,13,097, (2,19,639) and Rs. 12,76,078 (22,01,288), respectively.

9. *Loans and Advances*.—Out of a provision of Rs. 5,56,500 for grant of Taccavi, Land Improvement and Fruit Culture Loans, the amount actually disbursed was Rs. 96,815 (65,560).

The Revenue Commissioner is requested to examine and report why the provision made was not fully utilised.

(i) *Taccavi Loans*.—Out of 770 applications for an aggregate amount of Rs. 1,56,150, 526 applications involving a sum of Rs. 86,150 were sanctioned during the year. Against a demand of Rs. 1,91,896-9-11, the collections amounted to Rs. 69,805-9-1 leaving a balance of Rs. 1,22,091-0-11 at the end of the year. The percentage of collection to demand was 42.56 (50.60) and this cannot be considered satisfactory at a time agriculturists are well placed economically.

(ii) *Land Improvement Loans*.—Out of 258 applications for an aggregate amount of Rs. 75,255, 111 applications for a total amount of Rs. 17,462-8-0 were sanctioned during the year. A sum of Rs. 77,206-2-1 was recovered against a demand of Rs. 2,13,521-5-7 leaving a balance of Rs. 1,36,315-3-6 at the end of the year. The percentage of collection to demand was 43.3 (44).

(iii) *Coffee Taccavi Loans*.—This special scheme was continued during the year and out of a sum of Rs. 40,000 allotted to Hassan and Kadur Districts the amount actually disbursed during the year was 22,275-0-4.

10. *Takarar Takhtas*.—There were 46,335 (59,193) cases for disposal, of which 37,889 were disposed of, leaving a balance of 8,446 (7,001). The pendency is heavy in Tumkur, Bangalore, Mysore and Mandya Districts. As in last year the lowest percentage of disposals was in Bangalore District, viz., 63.1 and the highest in Shimoga and Kadur Districts 95.5.

11. *Execution of Co-operative Decrees*.—The total number of decrees for execution during the year was 5,711 (7,833) involving a sum of Rs. 8,66,678-13-10. One thousand nine hundred and seventeen cases were disposed of and a sum of Rs. 3,30,770-15-10 was realised. There were 3,794 (3,847) cases for Rs. 5,35,907 pending at the end of the year. The arrears continue to be heavy. The Revenue Commissioner is requested to expedite his investigation into the causes for the heavy pendency and submit proposals for substantially reducing the arrears.

12. *Tanks*.—One hundred and forty-four major and 278 minor tanks were restored during the year. Three hundred and eighty-nine major and 993 minor tanks were reported to be in urgent need of repairs. The Special Range formed for restoration of tanks in Shimoga District prepared estimates for 70 minor tanks in Tirthahalli and Nagar Taluks for a total sum of Rs. 1,43,304. The constitution of a similar range for Shikarpur and Sorab Taluks was under consideration. The value of earthwork done by the raiyats was Rs. 68,166. *Tank restoration work is not satisfactory at a time when the tempo of food growing activities should be increased. The Chief Engineer for Irrigation is requested to devise measures for speeding up restoration of tanks.*

13. *Record of Rights*.—The Record of Rights Scheme has been introduced into all the Taluks except Yelandur Jahgir Sub-Taluk and it has reached the maintenance stage in 73 taluks. Out of a total demand of Rs. 51,94,985, a sum of Rs. 40,86,422 was collected, leaving a balance of Rs. 11,08,563 (13,95,225).

The demand under Mutation fees was Rs. 9,45,860, of which a sum of Rs. 6,48,553 was collected, leaving a balance of Rs. 2,97,327 (3,15,173) at the end of the year. An expenditure of Rs. 13,33,863 was incurred under the Record of Rights Scheme till the end of June 1944.

14. *Tours and Inspections*.—The Revenue Commissioner toured for 141 days and inspected all the District Offices and a few of the Sub-Division and Taluk Offices, besides 25 Muzrai Institutions. The number of days toured by the Deputy Commissioners ranged from 159 in the case of the Deputy Commissioner, Mandya District, to 214 in the case of the Deputy Commissioner, Kadur. The Deputy Commissioner, Shimoga, camped out for the largest number of days, viz., 151. The total number of road-side and interior villages inspected is the largest in the case of the Deputy Commissioner, Bangalore, viz., 1,115, the lowest being 126 in the case of the Deputy Commissioner, Mandya.

All the Sub-Division Officers have toured more than the prescribed minimum number of days except the Sub-Division Officers of Channagiri, Tumkur and Gubbi who toured for 140, 134, 128 days, respectively. The Sub-Division Officer, Tarikere, inspected the largest number of villages, i.e., 1,235.

The work of the Department was generally satisfactory during the year.

V. VEDAVYASACHARYA, *Chief Secy.*

#### GENERAL SECRETARIAT

**Directs that the Minister for Local Self-Government and Public Health be the Chairman of the Marketing Advisory Committee.**

READ—

Government Order No. G. 4502-13—Mar. 14-43-3, dated the 20th March 1944, reconstituting the Marketing Advisory Board and appointing the Minister for Industries and Supplies as 'Chairman' of the Committee.

ORDER No A. F. 4287-4310—MART. 39-44-4, DATED BANGALORE, THE 22ND MARCH 1945.

In modification of the Government Order read above, Government are pleased to direct that the Minister for Local Self-Government and Public Health be the Chairman of the Marketing Advisory Committee.



**Nominates Mr. R. G. K. Morrison as a member of the Labour Laws Review Committee vice Mr. C. B. Taylor, resigned.**

ORDER No. S. R. 3714-30—L. W. 19-43-26, DATED BANGALORE, THE 31ST MARCH 1945.

Mr. R. G. K. Morrison, Superintendent of the Nandydroog Mines, Ltd., is appointed a Member of the Labour Laws Reviewing Committee vice Mr. C. B. Taylor, Superintendent, Mysore Gold Mining Company, Ltd., resigned.

MOHAMED ISMAIL SHERIFF, *Genl. Secy.*

**FINANCIAL SECRETARIAT**

**Sanctions grant of Relief to the Mining Companies in respect of Gold Duty.**

ORDER No. FL. 4297-99—G. F. 214-44-1, DATED BANGALORE, THE 6-7TH APRIL 1945.

The Mysore Duty on Gold (Emergency) Act came into force in Mysore from 22nd March 1940 and was enacted as a permanent measure in July 1940. Under Section 3 (2) of the Act, a duty on every ounce of gold of three-fourths of the amount by which its sale price exceeds one hundred rupees was levied, the balance of one-fourth being left for the benefit of the Companies concerned. At the time of the introduction of the Act, the Mining Companies urged that it would prove detrimental to the working of the mines and maintenance of dividends. Referring to those objections, the then Dewan, Sir Mirza Ismail, in his Budget Speech to the Representative Assembly in June 1940 stated as follows:—

"We passed an Emergency Act requiring payment of a special duty on gold equal to three-fourths of the difference between the price at which gold was sold and the price of Rs. 100 an ounce, which was taken as a standard. This leaves one-fourth of these abnormal profits to the Companies, and it is hoped and believed that that will prove quite sufficient to prevent any deterioration in the working operations of the industry and to leave a margin for a prospective ease in the working expenses. In other words, it is hoped this difference will have the effect of bringing a large share to the revenues of the State without affecting the

conservation of the higher grade ore or reducing the dividends on the invested capital which have been paid in the past to the share-holders."

"I do not think there is any reason to expect that it will cause a reduction in the dividends that the Companies have been able to pay in the past, and if that is the case, it will operate as a tax on excess profits. Should this anticipation be incorrect the Government will be a sufferer along with the Companies and we shall be ready to re-examine the question in the light of any fresh considerations that may arise."

The same assurance was repeated by Government in the Legislative Council during the Budget Session, 1940.

2. A big fire occurred in the Ooregaum Gold Mine in May 1942 when Government were approached to waive the duty on gold produced by the Company during the first six months of 1943 to enable the Company to meet the cost of rehabilitation of the mine necessitated by fire. Government, while declining to consider any relief in respect of gold duty, agreed as a gesture of sympathy to forego the power charges for dewatering the mine and to defray expenses incurred by the Company on steam operated winder.

3. In 1943 the Gold Mining Companies made representations again for a modification of the gold duty, pointing out that their development programme had been seriously hampered by War conditions and that capital development had fallen into arrears and urged that without additional resources, by way of partial relief from the gold duty, one of the Companies certainly and perhaps others would not be able to continue their policy of exploratory development.

4. In August 1944 the representations were renewed. The Companies stated that their difficulties had been accentuated on account of new and uncontrollable factors, such as the reduction of power supply due to the accident to the Sivasamudram Hydro-Electric Station and that if financial relief was not forthcoming, the search for gold might either have to be abandoned or drastically curtailed, and the Management would be forced to mine only the richest gold bearing quartz leaving many hundreds of thousands of tons



of ore which, were finances available, could be mined at a profit with the prevailing prices of gold. They added that if the Government could concede the financial relief applied for, there was justification for the relief that sufficient money would be earned as would permit the intensification of the search for gold, the results of which would save the Kolar Gold Field Mining Industry from coming to an unnecessarily premature end.

5. Messrs. John Taylor & Sons sent one of their Directors Mr. Sydney E. Taylor, to India with the object of discussing with Government the urgent problems concerning the Mining Companies. A number of discussions have been held by Government with him and other representatives of the Mining Companies when the entire position was reviewed in all its aspects. During these discussions it was shown that in addition to the Ooregaum Mining Company which had experienced special difficulties, two other Companies stood in need of some relief.

6. In view of the assurances given to the Companies when the gold duty was imposed, and having regard to the importance of adopting a long range policy in respect of the gold industry, Government have come to the conclusion that some measure of relief should be given to the Gold Mining Companies. According to the plan now approved such of the Companies as qualify for relief will receive, out of the amount of gold duty paid by them, an amount sufficient to bring their adjusted profits of the year upto a prescribed minimum. The grant of relief will be subject to the conditions that the amount of development work footage done by a Company is not less than that prescribed by Government, and that the average grade of ore worked by the Companies during the year is kept as low as possible. The eligibility for and the amount of relief will be settled on a review of the operations of each

company by the Government, assisted, if necessary, by a Committee. The limitation of dividends is an essential part of the scheme of relief. The net cost to Government of any relief given to a Company is under no circumstances to exceed 50 per cent of the gold duty payable by the particular Company.

7. Adopting these principles a detailed scheme has been drawn up fixing target figures for tonnage mined and development footage expenditure on the basis of which any application for relief for the year 1945 would be considered.

8. As the year 1944 has already closed, it is obvious that any formula like the above is inapplicable for the grant of any relief for that year. This question had, therefore, to be considered on merits. Government have come to the conclusion that in respect of the year 1944, taking all the circumstances into consideration, lumpsum payments, free of Mysore Income-tax and additional Royalty, be made as an "ex-gratia" relief to the following Mining Companies :—

|   | Rs.       |
|---|-----------|
| The Mysore Gold Mining Company                  | 5,61,500  |
| The Ooregaum Gold Mining Company of India, Ltd. | 4,95,500  |
| Nandydroog Mines, Ltd.                          | 2,76,000  |
| Total   | 13,33,000 |

No relief is considered necessary in the case of the Champion Reef Mine.

9. The question of amending the Gold Duty Act so as to provide for the grant of relief on the lines contemplated is engaging the attention of Government.

B. S. RAGHAVENDRA RAO, *Finl. Secy.*